

Testimony on SB 437
Before the Senate Energy and Technology Committee
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Mr. Chairman and members of the committee, thank you for the opportunity to testify before you regarding SB 437.

The second largest district on the west side of the state, the Kalamazoo Public Schools (KPS) educate more than 13,000 students pre-K through 12th grade. Home of the Kalamazoo Promise, free college tuition for those who graduate from one of our three high schools, KPS has grown by 2,400 students, or 24 percent, in the ten years of the Promise, the fastest growth in student enrollment during this period.

Given the Promise, one might imagine that KPS is favored demographically. In fact, approximately 70 percent of our students have been eligible for free or reduced-price lunch in the last few years, with 7 schools that have or have had 90 percent free or reduced-price lunch eligibility and 11 that have or have had 80 percent eligibility.

In spite of many improvements in the district—higher student achievement at all levels, a doubling of the number of students taking Advanced Placement (AP) courses and a tripling of the number of AP courses taken, higher graduation rates, and higher college-going, college continuation, and college completion rates—as well as our enrollment growth, KPS had to cut \$11 million from 2010 to 2015, primarily a function of state education funding that had failed to keep up with state education costs.

Electricity and gas use is one of the many areas in which we have become more efficient and have addressed the aforementioned cuts. Broadly writ, we have taken three sets of actions to help in this area. First, we have implemented energy efficient boilers, chillers, lights, and other systems, both in our newly

constructed buildings and in our renovations of older buildings. Second, we have worked to cut unneeded energy use through energy education within our district. Third, and related to this testimony, we have benefited from the choice market to buy electricity for a number of our buildings.

KPS belongs to the Michigan Schools Energy Cooperative (MISEC). In the last 13 and a half years, we have saved \$1,200,000 through electric choice. For obvious reasons in a very challenging financial environment, we do not want to lose the annual savings that we have generated through our electric choice program. Indeed, ideally, we would like to increase these savings.

Resource reliability is important to all of us. However, the bill before you today, while addressing this important objective, would also represent a reduction in the savings upon which we have relied through our energy consortium over the last decade and a half. Please consider the financial needs of local school districts as you debate the fate of what you legislate here today.

Thank you for the opportunity to share brief thoughts and for your consideration of this testimony.